GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2671
ANSWERED ON:16.03.2007
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Badiga Shri Ramakrishna

Will the Minister of FINANCE be pleased to state:

(a)whether the Government has given permission to State Bank of India to handle Income Tax (IT) refunds;

(b)if so, the details thereof;

(c)whether the Government has called for bids from other banks to appoint them to handle IT refunds; and

(d)if so, the details of banks which have submitted their bids in this regard, State-Wise.

Answer

MINISTER OF STATE IN THE MINITRY OF FINANCE (SH. S.S.PALANIMANICKAM)

(a) & (b) Yes sir, a pilot scheme of Refund Banker has been launched in Delhi and Patna under the scheme, the refund data is sent to State Bank of India by Income Tax Department after processing of Income-tax return. Within three days of receiving the data, SBI dispatches refund cheques by speed post or sends refund through ECS.

(c) & (d) At this stage , this is a piiot scheme being implemented by Income tax Department and State Bank of India. Accordingly, no bids have been called from other banks to appoint them to handle IT refunds.